STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on February 12, 2009

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman Patricia L. Acampora Maureen F. Harris Robert E. Curry, Jr. James L. Larocca

CASE 08-E-1018 - In the Matter of the Rates, Charges, Rules, and Regulations Related to the Interconnection and Operation of Customer-Owned Generation.

ORDER MODIFYING STANDARD INTERCONNECTION REQUIREMENTS

(Issued and Effective February 13, 2009)

BY THE COMMISSION:

BACKGROUND

Standardized Interconnection Requirements (SIR) for distributed generation units of 300 kVA or less operating in parallel with the electric utility radial distribution systems were first adopted in 1999 and were first revised in 2000. Ongoing reviews of the requirements were conducted regularly thereafter, and substantive revisions were made in 2002, and

Case 94-E-0952, Competitive Opportunities Regarding Electric Service, Opinion No. 99-13 (issued December 31, 1999) and Order Denying Petition for Rehearing, Providing Clarification, Modifying Standard Interconnection Requirements, and Directing Filing of Revised Tariffs (issued November 15, 2000).

² Case 02-E-1282, <u>Standardized Interconnection Requirements</u>, Order Modifying <u>Standard Interconnection Requirements</u> (issued November 6, 2002).

again in 2004 and 2005.³ This update to the SIR conforms it to amendments of Public Service Laws (PSL) §66-j and §66-l, effective on August 5, 2008 and January 1, 2009, respectively, that provide for an expansion of existing net metering provisions. In addition, other modifications were made in continuation of the series of periodic reviews, in an effort to simplify and expedite the SIR application and review process, along with some other modifications and editorial changes to improve the overall SIR process.

Department of Public Service Staff (Staff) distributed an informal draft of proposed SIR changes on September 16, 2008 to a list of distributed generation (DG) and renewable energy industry parties consisting of DG contractors, consultants, and many other state and private entities. Parties were given three weeks to provide informal comments back to Staff for consideration in a draft of proposed SIR changes. Technical conferences were held on September 22 and 24, 2008 in both Albany and New York City to allow interested parties an opportunity to discuss the changes with Staff prior to the submission of their comments.

A notice pursuant to the State Administrative Procedure Act (SAPA) regarding the proposals was published in the State Register on November 19, 2008. The SAPA comment period expired on January 5, 2009. The comments submitted are described and analyzed below.

In parallel with the SIR modifications, the amendments to the net metering laws also required utilities to file updated tariffs, by November 5, 2008 that conform to the changes adopted

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³ Case 02-E-1282, <u>supra</u>, Order Modifying Standard Interconnection Requirements (issued November 17, 2004) <u>and</u> Order Modifying and Approving Tariffs and Providing for Further Proceedings (issued September 26, 2005).

in the amendments. The tariff changes are addressed in an Order Modifying and Authorizing Net Metering Tariffs (2009 Net Metering Order) issued today in Cases 08-E-1305, et al.

PROPOSED SIR CHANGES

Staff's proposed changes to the SIR that were offered for comment are summarized below. These changes were based on the amendments to the net metering laws and other efforts to improve the overall SIR application and installation process.

1. Incorporate newly passed net metering laws summarized in the table below.

Previous Law	New Law
Photovoltaic = 10 kW (residential only)	Photovoltaic = 25 kW (residential) & up to 2 MW (non-residential)
Wind = 25 kW (residential only)	Wind = 25 kW (residential) & up to 2 MW (non-residential)
Farm Service Wind = 125 kW	Farm Service Wind = 500 kW
Farm Waste = 400 kW	Farm Waste = 500 kW

- 1.1 Update the 'Maximum Expense for Dedicated Transformer for Net Metered Customers' table located in step #6 of the 25 kW to 2 MW section of the application process within the SIR to incorporate the new net metering requirements.
- 1.2 The update includes standards for non-residential solar and wind customer generators where the statutory amendments left the standards to Staff's discretion.
- 2. The existing New York State Standard Interconnection Requirements (SIR) for distributed generation 2 MW and under has an 11 step review process split between three sizes of generation: 15 kW or less, 15 kW to 300 kW, and 300 kW to 2 MW. These size distinctions are not always as clear as they

- could be in the SIR. Therefore, Staff proposed two separate and distinct review processes for systems 25 kW or less, and greater than 25 kW up to 2 MW. Systems 25 kW or less will have a simplified six step application process. Systems above 25 kW up to 2 MW will have a revised 11 step review process.
- 3. The Underwriters Laboratories (UL) 1741 (November 7, 2005 revision) replaced the previous version of UL 1741 with references to the Standard for Interconnecting Distributed Resources with Electric Power Systems, Institute of Electrical and Electronics Engineers (IEEE) 1547, and the Standard for Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems, IEEE 1547.1 to provide a testing standard to evaluate and certify distributed generation products. As a result, Staff proposed the following changes:
 - Change testing and certification requirements to list UL 1741, November 2005 revision and associated replacements.
 - Equipment tested and certified as meeting UL 1741, November 2005 revision by a Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration is no longer required to be submitted to the PSC. If entities want to continue to list their equipments on the Department's Website, Staff will do so.
 - If equipment is tested and certified to UL 1741 (November 2005 revision) by a non-NRTL, then Staff shall review the equipment and associated certification before final approval and posting on the Department's website.
- 4. The use of external disconnect switch has proven to be redundant and unnecessary in small interconnection systems using inverters that meet relevant UL and IEEE standards. Therefore, Staff proposes to eliminate the external disconnect switch requirements for inverter based systems 25 kW or less that meet UL 1741 (November 2005 revision).
- 5. Staff proposed that the utilities be required to implement a web-based system for providing generator customers and contractors up to date information regarding the status of their application process. Additionally, Staff proposed that each utility be required to allow customers with systems 25 kW and less the ability to submit their application for

interconnection via the web. Additionally, Staff proposed that the utilities be required to provide an SIR Inventory of projects to the Public Service Commission (PSC) by January 31 and July 31 of each year.

6. Miscellaneous Changes and Updates.

ANALYSIS OF COMMENTS

A total of nine parties filed comments pertaining to the draft SIR document. The commentators are: E-Cubed on behalf of the Joint Supporters (E-Cubed), Solar Alliance, Integrys Energy Services (Integrys), Hudson Valley Clean Energy (HVCE), Interstate Renewable Energy Council (IREC), Network for New Energy Choices - Environmental Advocates - Solar One - The Vote Solar Initiative (The Coalition), Alliance for Clean Energy New York (ACENY), and the Joint Utilities, consisting of the six major New York electric utilities. 4 Con Edison also filed independent comments separately.

Net Metering

While all parties commended Staff on the timely update of the SIR to reflect the amendments to the PSL regarding net metering for residential solar and farm waste electric generating systems and residential and farm service wind electric generating systems, as well as the extension of net metering to non-residential solar and wind electric generating systems, six parties filed extensive comments in regards to specific interpretations of the amendments.

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The utilities are: Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R) and Rochester Gas and Electric Corporation (RG&E).

ACENY, HVCE, IREC, and The Coalition propose that the SIR appropriately reflect the cost allocation requirements of the PSL § 66-j and 66-l, and eliminate the distinction between residential and non-residential systems for maximum transformer cost responsibility as fees are based on system size and not ownership type. These parties recommend that the SIR explicitly state that:

- 1. Customer-generators with net metered wind systems over 25 kW are liable for half of all interconnection costs and the cost of any dedicated transformer(s) or other safety equipment up to specified caps.
- 2. Customer-generators with net metered solar and farm waste systems are liable only for the cost of dedicated transformer(s) and other safety equipment up to specified caps and are not subject to other interconnection costs.
- 3. There should be no distinction between net metered customers installing the same-sized system based on the classification of the customer as either residential or non-residential. For example, a residential customer and a non residential customer that both install 25 kW solar systems should be charged the same fees for dedicated transformers and other equipment deemed necessary.
- 4. Waive the initial \$350 interconnection application fee for customer-generators with proposed net metered systems above 25 kW up to 2 MW.

The Joint Utilities proposes that non-residential generators pay the full interconnection costs, as opposed to the exemption from interconnection costs for residential solar and wind generators, up to 25 kW, and one-half of the interconnection costs for non-residential generators greater than 25 kW to avoid subsidization by other customers. They also propose to include in the SIR the word "other equipment" found in PSL 66-j(3)(c) and 66-l(3)(c) to addresses cost responsibility for dedicated transformer(s) or other equipment such as modifications of local secondary service, upgrade or replacement of customer's service drop or additional (not

necessarily dedicated) transformers that may be needed for the protection of the safety and adequacy of electric service provided to other customers.

ACENY, Solar Alliance and The Coalition commented that the treatment of net excess generation in Staff's proposal is inaccurate or incomplete. These parties ask that the SIR clearly identify the requirements of the net metering statutes as amended. IREC proposes to use service capacity as a system size cap whenever peak demand data is unavailable. IREC believes that since a customer's peak load is less than the customer's electric service capacity, it is a reasonable approximation of peak load and will avoid the need for the Commission to analyze the anticipated demand of hundreds of small non-residential customers each year that do not have demand meters.

Expedited Application Process

While all parties agree that two distinct approval processes, one for small and one for large systems, are appropriate, the Joint Utilities (excluding Con Edison) propose an expedited process only for inverter-based systems of 25 kW or less. They argue that non-inverter-based systems, even smaller ones, can affect power quality for adjacent customers. suggest that the expedited process be limited to those scenarios where the total generation-to-rated feeder capacity is no greater than 20%, given that it is possible that several installations, each 25 kW or less, located on a single distribution feeder could exceed the rating of the feeder and associated distribution equipment. The Joint Utilities also propose the ability to perform a project-specific Coordinated Electric System Interconnection Review (CESIR) for non-inverter based generators of 25 kW and smaller, and generators to be located on distribution circuits where the total generation-torated feeder capacity is greater than 20%. Moreover, Con Edison proposed that the SIR should permit individual electric corporations to utilize an expedited application process for inverter-based systems larger than 25 kW in circumstances where the corporation deems an expedited process to be appropriate.

ACENY, HVCE, and The Coalition found the proposed timelines for application and approval process of systems 25 kW or less too long and propose additional reductions such as the issuance of an acceptance letter by the utility within five (5) business days of interconnection instead of 30 business days originally proposed. On the other hand, The Joint utilities requested for an increase in timeline from five (5) business days to fifteen (15) business days for each utility to complete metering changes.

Three parties -- IREC, Solar Alliance and The Coalition -- suggest a well defined and streamlined interconnection process such as the Federal Energy Regulatory Commission's (FERC) Small Generator Interconnection Procedures (SGIP) for system 25kw up to 2 MW. Furthermore, IREC proposes that the SIR provide for interconnection of systems over 2 MW in size.

The Joint Utilities propose requesting a copy of a third party electrical inspection certificate issued by the agency having jurisdiction and any relay calibration and testing reports prior to the meter being changed and the customer interconnecting with the utility's distribution system.

Additionally, the Joint Utilities suggest inclusion of a Standardized DG Installation Compliance Verification Checklist in Appendix D of the SIR and require applicants to sign and send the utility within five (5) business days of the verification test if the utility opts not to witness the test. HVCE also believes that a copy of an electrical inspection certificate

from an independent electrical inspector and a copy of the building permit for the system from local authorities are necessary to demonstrate that the system is safe and compliant with local codes and ordinances.

Additional proposals from ACENY, HVCE, The Coalition and Solar Alliance include substituting a three line diagram for the one line diagram currently required, updating compliance to the latest version of the National Electric Code and waiving the application fee for net metered customers.

UL 1741 Equipment Certification

The Joint Utilities support the inclusion of firmware versions (i.e., equipment software) in the equipment certification while HVCE and IREC believe that the important, relevant, and effective requirement is compliance to UL 1741 and not a particular version of firmware. In the same regards, ACENY and The Coalition propose that the SIR should state that all UL 1741 certified inverters are allowed for interconnection even if they do not appear on the list maintained by Staff.

External Disconnect Switch

The Joint Utilities are the only party that opposes the elimination of the external disconnect switch requirement for systems 25 kW or less that meet UL 1741 (November 2005 revision). They contend that requiring an external disconnect switch as a mandatory provision of the SIR is justified by significant safety concerns. The Joint Utilities claim that, without a disconnect switch, there is no immediate and safe means of disconnecting DG systems to ensure utility personnel safety. Without a disconnect switch, the Joint Utilities contend, they may be forced to deploy other means of disconnecting a DG system and preventing the back-feed of electricity that would result in temporary outages and additional costs.

Web-based System and Semi-Annual Data Submission

All parties, with the exception of the Joint Utilities, support the proposal to require utilities implement a Web-based interconnection process as well as send a semi-annual SIR inventory of projects to Staff. The Joint Utilities contend that these requirements are outside of the scope of the SIR document, which is primarily an interconnection technical requirements document; raise the issue of which customers would bear the costs of such systems; and, pose potential legal questions relating to electronic signatures on the Standardized Contract and the various Appendices. They propose that Staff have separate, parallel conversations with the Joint Utilities to discuss this proposal.

ACENY and Solar Alliance, on the other hand, proposed to expand the Web-enabled application process to all on site generation of 2 MW or less. Additionally, Solar Alliance believes that the web-enabled application process should incorporate additional functionalities such as submission of technical data, forms and on-line payments.

Third Party Applications

Integrys believes that third parties other than the customer should be able to apply for interconnection under the SIR. Economic and reliability benefits can be reaped, Integrys claims, if third parties are allowed to take responsibility for net metered systems.

DISCUSSION

Net Metering

As several parties contend, the draft SIR did not correctly reflect the cost allocation rules set forth by the PSL §66-j and §66-l. The draft SIR, at Step 6, stated that for wind, solar, and farm waste net metered systems over 25 kW, half

of all interconnection costs, the costs of dedicated transformers, and other safety equipment costs, up to specified caps, would be the responsibility of the customer-generator. That statement is not in accordance with the amendments to PSL §66-j and §66-l. Only wind systems over 25 kW are responsible for half of all interconnection costs in addition to dedicated transformer and other safety equipment costs up to specified caps. Interconnection costs, other than the costs of transformers or other safety equipment up to specified caps, may not be imposed on residential solar systems, farm waste systems, or wind systems of up to than 25 kW.

Therefore, the SIR document has been modified to accurately identify the applied cost allocation rules set forth by the PSL §66-j and §66-l. The Joint Utilities also commented on this subject, proposing to impose additional cost responsibilities on customer generators; however their proposed changes were not in accordance with the amendments to PSL and are therefore rejected.

The subject of fees or maximum costs that residential or non residential net metered customers must pay for dedicated transformers and other equipment deemed necessary were also reviewed. Several parties commented on this subject, mainly for the purpose of reducing confusion while conforming the SIR to the amendments to the PSL and their nomenclature.

These parties also propose one substantive modification, in the instance where a residential customer and a non-residential customer both install a solar system of 25 kW or less. Under the proposal, each would be subject to the same limits for dedicated transformers and other equipment deemed necessary.

We adopt this proposal, as an exercise of the discretion over non-residential customer costs provided for in

the statutory amendments, because it is appropriate to charge the small-sized non-residential customers the same as the small-sized residential customers. This approach will alleviate confusion in the rules applicable to customers within the small-sized category and promote net metering in conformance with the policies expressed in the PSL and the amendments. Therefore, the approach has been reflected in the SIR.

Additionally, some parties proposed a waiver of the fees provided for in the SIR Section I.C. The waiver would pertain to the initial \$350 interconnection application fee for customer-generators and would eliminate the need to refund the fee if the net metering customer-generator did not require additional equipment such as a dedicated transformer for interconnection.

The SIR, however, has required an initial fee for many years. The fee establishes that the customer applicant is committed to seriously pursuing the installation of a net metered generator. To conform to PSL net metering requirements, this fee is offset against interconnection costs or is refunded if the customer does not impose any interconnection costs. This approach conforms to the PSL and is not affected by the amendments, and furthers the public purpose of efficiently implementing net metering. The approach is retained.

Finally, parties raise issues relating to the treatment of net excess generation produced by net metering customers and the sizing of systems installed by non-residential customers. These matters are addressed in the 2009 Net Metering Order, supra.

Expedited SIR Application Process

One of the main goals in updating the SIR was to improve the overall application process for interconnections. The process should both reduce barriers to potential customers

while still providing for a complete review and submittal process that adequately protects the public's safety.

The Joint Utilities continue to request that guidelines be made more specific, affording them additional protections by identifying system limitations. The additional SIR guidelines and protections suggested by the Joint Utilities are unnecessary. The utilities already retain the authority to restrict the deployment of net metered and other small generators that might adversely affect their delivery systems without the need for additional SIR language that could confuse potential applicants.

Several parties commented on the SIR's Step 6, for systems 25 kW and less, stating that the overall time frame should be shortened to alleviate extended waiting periods before the formal letter of acceptances are received by customers and associated incentives for the systems can be obtained in a timely manner. They point out that New York State Energy Development Authority (NYSERDA) incentives can not be obtained until final utility acceptance for interconnection is secured.

The draft SIR provided for a 10 days time frame in which utilities were required to request joint inspections or witness operation of systems. The draft SIR also stated that within 30 days after interconnection of the system, the utility will issue the formal letter of acceptance, absent the discovery of any issues to the contrary during the testing and verification period.

We agree that the timing for these final acceptance steps could be reduced. Therefore, the 10 day time frame for utilities to request a joint inspection or witness operation of the system is reduced to 5 business days. We also adopt the following final acceptance process: The joint inspection must be completed within ten business days after it is requested, and,

within 5 business days of its completion, the utility shall issue to the applicant either a formal letter of acceptance for interconnection or a detailed explanation of the deficiencies in the system. This revised approach satisfactorily expedites the final approval process while still allowing for proper review.

With respect to the comments on incorporation of the SGIP, more time is needed to properly determine whether or not SGIP or similar procedures should be used. There is the potential for improvement in this area. Therefore, no specific recommendations for inclusion of SGIP or similar procedures will be adopted at this time, and additional comments will be solicited under SAPA while review of SGIP issues continues.

Separate from the Joint Utilities, Con Edison proposed that inverter-based systems, sized from 25 kW up to 200 kW, that meet the proper certification and testing requirements set forth at UL 1741 should also be included within the expedited or fast track SIR application process. This proposal has merit. It is technically practicable and enhances the efficient operation of the SIR process to the benefit of a larger pool of applicants. It is incorporated into the SIR as follows.

For inverter based systems above 25 kW up to 200 kW, applicants may follow the expedited application process outlined under Section I. B. of the SIR, as long as the inverter-based system has been certified and tested in accordance with UL 1741 (November 2005 revision) and the utility has approved the project accordingly. The utility has fifteen (15) business days from original application submittal to determine and notify the applicant in writing of its findings. If the utility determines

that the inverter-based system is not eligible for the fast track or expedited application process, the applicant can:

- 1. Proceed with the remaining steps of Section I.C of the SIR (Systems above 25 kW up to 2 MW); or
- 2. Request a review by Staff.

For non-inverter based systems and those inverter based systems not certified and tested in accordance with UL 1741 above 25 kW up to 200 kW, the potential applicants and utilities are encouraged to use expedited application process (Section I. B.), but only in circumstances where the utility deems it appropriate.

Within the application process, verification testing is required by each applicant in accordance with the SIR and equipment manufacturer guidelines. Utilities receive a copy of these verification tests and are also notified and allowed to either witness or attend such testing. In addition to these existing procedures, the Joint Utilities have proposed applicants provide a copy of a third party electrical inspection certificate issued by the agency having jurisdiction and any relay calibration and testing reports. HVCE also supported the requirement for submission of an additional electrical inspection certificate along with a building permit.

We believe that these additional requirements are not necessary within the SIR and might act as deterrent to applicants by requiring additional paperwork that has no real value. Each generation installation already must be installed and inspected in accordance with local and national electrical codes. The SIR is not intended to institute additional and redundant requirements for applicants to follow.

The Joint Utilities also propose that an Appendix D be added to the SIR, as a check list for verification of testing and acceptance. The elimination of the external disconnect

switch for systems 25 kW and less, however, renders the proposed check list unnecessary.

Lastly, multiple parties believe that the existing SIR single-line diagram requirement should be replaced with a three-line diagram requirement, which would facilitate more detailed reviews of the proposed generation installations and also conform to NYSERDA incentive approval requirements.

Three-line diagrams offer many advantages over the existing single-line diagrams in detailing the technical specifications of a generator's proposed operation and grounding. These benefits outweigh the additional effort and costs applicants will expend to provide them. Therefore, three-line diagram requirements are substituted for the existing single-line diagram requirements currently used.

UL 1741 Equipment Certification

The draft SIR proposal stated that all inverters, including the associated firmware or software version specified with each unit, shall be tested and certified by a National Recognized Testing Laboratory (NRTL) to comply with Underwriters Laboratory (UL) 1741 (November 7, 2005 revision) requirements. Applicants can either provide this compliance data to the utility with its respective application, or they can submit the information to Staff for review and inclusion to Staff's Certified Equipment List posted on our Website.

With respect to the equipment certification to UL 1741, The Coalition and ACENY stated that all equipment certified to UL 1741 should be accepted for interconnection. This is not disputed; however, if the unit is not on the Certified Equipment list, then the proper verification for compliance to UL 1741 still needs to be provided as described in the SIR. The equipment currently identified on the Certified

Equipment list has already been deemed in compliance and so further verification is not necessary.

With respect to the firmware requirement, the Joint Utilities are its only proponent, while HVCE and IREC oppose it. HVCE states that equipment firmware is updated very frequently, often within the timeframe when a customer or contractor fills out the original application for interconnection and when the equipment is delivered to the job site. The delivered firmware therefore can differ from that listed on the original application.

HVCE correctly depicts the circumstances surrounding firmware. The frequent updates make it difficult and time consuming for Staff or others to track succeeding versions of firmware for all certified equipment. For those reasons, we determine that the requirement to include firmware information with each equipment certification is not necessary and it is removed from the SIR.

External Disconnect Switch

The subject of whether or not an external disconnect switch should or should not be required for interconnection of small generation systems has been debated for years within the industry. The draft SIR proposed to eliminate the external disconnect switch for inverter based interconnection systems 25 kW and less that meet UL 1741 (November 2005 revision) requirements. All other systems would still require these devices. The Joint Utilities argue that the external disconnect switches is needed for all systems for safety reasons and because of their convenience when trouble shooting electrical issues in and around the area where the small generator installations are located.

IREC, HVCE, and Solar Alliance state that the disconnect switches are not needed because inverters certified

by UL 1741 (November 2005 revision) already are readily disconnected and the external disconnect switch currently required is redundant. They add that installing the switch is an unnecessary additional cost to the customer and dispute the contention that absence of a switch raises safety issues.

A 2008 report from the National Renewable Energy Laboratory (NREL) supports the elimination of the disconnect switch for the same reasons stated by several of the parties. We conclude that the external disconnect switch shall not be required for inverter based interconnection systems 25 kW and less and the SIR is revised accordingly.

Web-based System and Semi-Annual Data Submission

The draft SIR proposed that the utilities be required to implement a Web-based system for providing customergenerators and contractors with up to date information regarding the status of their application process. Additionally, it was proposed that each utility be required to allow customers with systems sized 25 kW and below to submit their application for interconnection via the Web. Finally, utilities were asked to submit data on interconnection project process semi-annually to ensure applications are addressed in a timely manner and to monitor overall interconnection activities within New York.

A Web-based system was one of the recommendations cited in The First Report of the Renewable Energy Task Force.5 In that Report, the following recommendation was stated: Public Service Commission and the Long Island Power Authority should explore more streamlined, transparent interconnection process for renewable distributed generation installations.

Clean, Secure Energy and Economic Growth: A Commitment to Renewable Energy and Enhanced Energy Independence, The First Report of the Renewable Energy Task Force to Lieutenant Governor David A. Patterson (February 2008).

process should be Web-based and allow applicants to view the status of their applications. The state should help to identify solutions to overcome technical and other barriers to effective and timely interconnection."

The Web-based system reflected in the draft SIR was an effort to accomplish and comply with that recommendation. The Joint Utilities are the only party opposing this system, claiming it should be addressed outside of the SIR process. There is no reason, however, to provide for a separate process to address this new Web-based system, which is efficacious and will promote interconnections in accordance with New York's policies.

The specific design and implementation of this Webbased system by the utilities has not been fully determined at this time. Staff will conduct a follow-up meeting within approximately 30 days of this Order to further discuss the design and implementation of the Web based system with all utilities. Additionally, each utility shall, within 90 days of the issuance of this Order, submit a report identifying plans, schedules, and proposed actions for complying with this requirement.

Third Party Applications

As Integrys points out, the SIR applicant need not be restricted to the owner of the net metered system. Nonetheless, allowing any third party to become an applicant could result in customer confusion or foster disputes among utilities, customers and other parties involved in net metering. Therefore, the category of applicant eligible for a SIR contract will be broadened to include the authorized agent of a customer. Requiring the agency relationship will enable third parties to act for customers, realizing efficiency benefits, while constraining the potential for confusion and conflict.

Miscellaneous Comments and Revisions

Other minor and editorial comments were submitted by the parties on the content of the SIR. Although not all of these comments were discussed within this Order, we have reviewed each comment and made a determination based on our best judgment and experience. All SIR modifications, in a redlined and a clean version, are posted to our Website contemporaneous to issuance of this Order and are incorporated here by reference.

CONCLUSION

We have updated the SIR to reflect the amendments to the net metering provisions of the PSL, and have provided for an expedited application process, the UL 1741 update, and elimination of the external disconnect switch. These SIR improvements will foster more participation by interested customer-generators and additional investment in renewable energy technologies. Therefore, the New York State Standardized Interconnection Requirements Application Process for New Distributed Generators 2 MW or Less Connected in Parallel with Utility Distribution Systems is modified as provided for above.

The Commission orders:

- 1. All electric utilities listed in the body of this Order are directed to comply with the revised Standard Interconnection Requirements (SIR) provided for in the body of this Order.
- 2. All electric utilities listed in the body of this Order shall, within 90 days of the issuance of this Order, file a report with the Secretary to the Commission, identifying plans, schedules, and proposed actions for implementing a Webbased interconnection application process.

- 3. The deadlines provided for in this Order may be extended as the Secretary may require.
 - 4. This proceeding is continued.

By the Commission,

(SIGNED) JACLYN A. BRILLING Secretary